

DEPARTMENT OF STATE REVENUE
LETTER OF FINDINGS NUMBER: 03-0160P
Partnership IT-65
For Calendar Year 2001

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ISSUE(S)

I. Tax Administration – Penalty

Authority: IC 6-8.1-10-6

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer was assessed \$10 per day for a total of \$250 for filing its return late.

Taxpayer filed a penalty protest dated March 28, 2003 stating that it is not subject to a penalty under IRC Rev. Proc. 84-35.

I. Tax Administration – Penalty

DISCUSSION

Taxpayer protests the penalty assessed and states that the Federal Government does not assess a penalty if all its partners have fully reported their shares of income, deductions, and credits of the partnership on their timely filed tax returns and each of the four members have reported their income reflected on Form K-1.

IC 6-8.1-10-2.1 (g) states:

“A person who fails to file a return for a listed tax that shows no tax liability for a taxable year, other than an information return (as defined in Section 6 of this chapter), on or before the due date of the return shall pay a penalty of ten dollars (\$10) for each day that the return is past due, up to a maximum of two hundred fifty dollars (\$250).”

Taxpayer has not provided reasonable cause to allow a penalty waiver.

FINDING

Taxpayer's protest is denied.